

City of Jonesboro

900 West Monroe Jonesboro, AR 72401

Meeting Minutes Public Services Council Committee

Tuesday, June 30, 2009 4:30 PM Huntington Building

Special Called Meeting

1. Call To Order

Mayor Perrin was also in attendance.

Present 4 - Charles Frierson; Ann Williams; Chris Gibson and Tim McCall

Absent 1 - Rennell Woods

2. New Business

ORD-09:044

AN ORDINANCE AMEND THE 2009 BUDGET TO APPROPRIATE MONEY TO COVER PENSION, INSURANCE AND UNEMPLOYMENT/WORKER'S COMPENSATION INSURANCE COST FOR JETS, THAT WERE PREVIOUSLY PAID FOR WITH GENERAL FUND DOLLARS.

Sponsors: Finance and JETS

<u>Attachments:</u> <u>Memo from Finance Director regarding JETS cash flow issues</u>

Loan History
Transfer of funds

Mayor Perrin explained they needed to appropriate \$69,261 for JETS for the rest of the year. He further explained the appropriation is needed due to the change in accounting methods, which made JETS pay for items such as Unemployment and Pension Contributions. He stated those items were not included in JETS' 2009 budget. He also added back in 2008 JETS had drawn \$228,201 in grants and classified the money as capital expenses, but used it for operational expenses. He stated the FTA caught the error and contacted the City last year, which required the City to pay the money back. He noted as of February of this year JETS is cleared of that money. Mayor Perrin explained the total cost of JETS to the City for 2009 will be \$199,261. He further noted he attached paperwork that shows the loan history of JETS and the repayment of the 2008 loan. He stated there is still a loan that they need to discuss at the regular Finance Committee meeting.

JETS Director Steve Ewart stated JETS has had access to those funds since the very beginning. He also discussed their budget and noted he has made significant cost cutting measures, which amounted to almost \$600,000 in cuts compared to last year.

A motion was made by Councilwoman Ann Williams, seconded by Councilman Chris Gibson, that this Ordinance be Recommended to the Finance & Administration Council Committee. The motion CARRIED by a Voice Vote.

Aye: 3 - Ann Williams; Chris Gibson and Tim McCall

Absent: 1 - Rennell Woods

3. Adjournment

With no further business, Chairman Frierson adjourned the meeting.

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